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6TH DISTRICT, MICHIGAN

**COMMITTEE ON  
ENERGY AND COMMERCE**

ENERGY  
REPUBLICAN LEADER

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## Congress of the United States House of Representatives

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June 24, 2021

The Honorable Isabella Casillas Guzman  
Administrator  
U.S. Small Business Administration  
409 3<sup>rd</sup> Street SW  
Washington, D.C. 20416

Dear Administrator Guzman:

The Paycheck Protection Program (PPP) has been a lifeline that has saved or preserved millions and millions of jobs throughout the United States. This critical investment early in the pandemic helped bridge the gap between the uncertainty of last spring and now as we emerge on the other side. While the PPP was imperfect, Congress was able to make several structural and meaningful changes – on a broadly bipartisan basis – to ensure the program's intent was fulfilled. After the CARES Act was signed into law and PPP went live SBA ran into understandable delays implementing this massive new program in the midst of the worst health crisis in a century. I believe SBA did an admirable job in addressing the issues to ensure those who wished to participate in PPP had access and opportunity to do so. However, recently I have heard from numerous constituents having issues obtaining forgiveness.

I was proud to help author the bill that provided for simplified, one-page PPP forgiveness for loans under \$150,000 and urged SBA several times in 2020 to make the forgiveness process as efficient and easy for the borrower while also ensuring the loans were valid and the funds were used for their intended purpose. I understand that each loan above a certain threshold is automatically reviewed but folks who obtained small and large loans alike have expressed frustration at the slow pace of forgiveness. This is especially concerning given the long-term planning business owners undertake to ensure their longevity and not having confidence that their PPP forgiveness application - assuming they met all the requirements – will be accepted and that loan must then be repaid.

Regarding the forgiveness process I would like to know how many PPP forgiveness applications under \$150,000 have been submitted, approved, denied, and are still being examined? How many between \$150,001-\$1,999,999?

Does SBA have a dedicated team to work with financial institutions and the borrowers to ensure they have the information necessary to forgive the loan?

If extra screening is required for forgiveness what is the average time to verify and render a determination whether or not the borrower qualifies for forgiveness?

While the issues highlighted in the letter are serious, overall, the vast majority of PPP loans were processed and will be forgiven. The SBA has done an admirable job, under extremely difficult circumstances, to overcome logistical, health, and technological hurdles administering PPP and other emergency aide to our nation's small businesses during this difficult time. I look forward to a prompt response; if you have any questions please reach out to me or Alec Zender ([alec.zender@mail.house.gov](mailto:alec.zender@mail.house.gov)) in my office.

Sincerely,

A handwritten signature in blue ink, appearing to read 'Fred Upton', with a long horizontal flourish extending to the right.

Fred Upton  
Member of Congress